

TAX PERJURY SOME OF THE BRIGHTEST OFFICIALS OF THE GRAND JURY.

O'Sullivan Gets Insurance Magnates in a Position Where They Have to Accuse Themselves or the Officials Who Arranged Their Assessment.



Lawyer W. J. O'Sullivan Before the Grand Jury.

As attorney for the Central Labor Union in its case against the Tax Commissioners, Mr. O'Sullivan was recalled yesterday. He was questioned regarding Henry G. Autenrieth, deputy tax assessor, in whose district are the insurance companies cited by the Union as flagrant examples of under-taxation.

Here are the names of the men who will say to-day whether the rich individuals and corporations of this city stand on an equal footing before the Tax Commissioners of New York with the small property owners and the great rent-paying, wage-earning class:

William C. Church (foreman), editor, No. 99 Nassau street; John J. Brunling, flour, No. 14 Front street; William J. Ives, broker, No. 81 New street; George R. Sheldon, banker, No. 7 Wall street; Osgood Welsh, banker, No. 41 Wall street; Morris Davis, merchant, No. 45 Leonard street; Herman C. Schwab, merchant, No. 2 Bowling Green; George F. Hodgman, merchant, No. 9 Cliff street; Julian Nathan, retired, Union Club; Chalmis Dale, broker, No. 79 Park avenue; Edgar H. Laing, manager, No. 138 Front street; Sigmund F. Meyers, real estate, No. 140 Nassau street; George Abel, merchant, No. 190 South street; Norman Thayer, retired, No. 621 Fifth avenue; Eugene B. Sanger, leather, No. 25 Ferry street; Isaac P. Smith, notions, No. 63 Leonard street; William Turnbull, merchant, No. 24 Thomas street; John Brennan, merchant, No. 31 Wooster street; Frederick Clarkson, broker, No. 45 William street; Robert Chesebrough, president, No. 24 State street; Louis S. Davidson, tailor, No. 21 Beekman street; Michael B. O'Meara, retired, No. 40 Gramercy Park; Charles H. Arnold, retired, Union Club; Thomas C. Arnov, West Chester, N. Y.; John H. Blumenberg, Wakefield, N. Y.; Oscar C. Naumann, No. 439 East Eighty-fourth street.

The Grand Jury concluded what it will call its investigation of the charges of perjury against the Tax Commissioners yesterday. Some other people are likely to say the Grand Jury concluded its endeavors to avoid investigating the charges against Tax Commissioners Barker, Sutro and Wells.

The Grand Jury is to report this morning, but not even Dr. O'Sullivan, who presented the case for the prosecution, expects an indictment of the three eminent citizens responsible for the valuations he showed to be less than a quarter what they should have been.

Yet, Dr. O'Sullivan, when withdrawing from the jury room the day before, said to the jury, when the foreman asked him if he had given all the evidence he had:

"I have not. I have given you enough to justify an indictment for perjury against the Tax Commissioners. I will save the rest till the trial."

O'Sullivan had the representatives of the big insurance companies before the Grand Jury yesterday, and when he had them there he had them in a position where the best they could do for themselves was the worst they could do for their friends.

Insurance Men's Dilemma.

"I know what I was doing," said Dr. O'Sullivan, "when I had these gentlemen summoned. I presented them two horns of a dilemma. If they stated that the Albany statements had been sworn to falsely, they were making a fatal and criminal confession. And when they testify as to the correctness of the annual State reports, they put the burden on the Tax Commissioners to prove their innocence of swearing to false assessment valuations."

Really about all that was done in the way of defence of the accused officials was an attempt to vaguely place the blame for the ridiculously low assessments of the big corporations on the subordinate in whose district the undervalued buildings are.

One particularly noticeable thing yesterday was the change in the attitude of the jury toward Dr. O'Sullivan.

On his first appearance there he was shouted at, hisper in his giving testimony and the Grand Jury finally got into the fiercest sort of wrangle, dividing into two parties those who wanted to hear what the representative of the Central Labor Union, who made such grave charges, had to say, and those who wanted to hear the proceedings off-hand. Yesterday, however, they all spoke O'Sullivan fair.

They listened to him respectfully, questioned him courteously, and, in the jury room at least, gave up sign of the distress it caused them to hear him in high position exonerate the only exception was Foreman William C. Church.

The Foreman's Repetition.

According to the statement of Dr. O'Sullivan, Church manifested throughout the course of the investigation the most stubborn and bigoted attitude, but not even the Central Labor Union counsel was quite prepared for a verbal proof of the foreman's predisposition on the subject.

When the Grand Jury had adjourned, at a quarter of twelve yesterday afternoon, Church met O'Sullivan in the corridor, and, approaching him, held out his hand. The foreman spoke in a sarcastic vein, and the lawyer took off his feet by the following remark:

"O'Sullivan, you forensic gentlemen present your facts with fine legal arguments, but you must remember that you do not always get results."

O'Sullivan replied:

"Our best efforts are not always crowned with success."

This was ample prophecy of what the Grand Jury will do this morning, but perhaps never in the history of the sittings of the body has a foreman given such frank acknowledgment of his views of a case complaint against a lawyer as was made by the foreman.

Where Was the Perjury?

Representatives of the Mutual Life Insurance and the Equitable Life Assurance companies were called before the Grand Jury and testified that the statements made by their corporations in Albany bore the correct valuations of their property in New York City.

In other words these gentlemen were forced to admit that two different valuations had been placed by them on their property; one in Albany, for the benefit of

creditors, and another before tax commissioners for the benefit of themselves.

The annual report of the Mutual for 1896, filed at Albany, places the valuation of the property at \$11,623,754, and it is assessed at \$2,000,000.

The annual statement of the Equitable places the valuation of its buildings here at \$16,000,000, whereas they are assessed at \$2,900,000 by the commissioners.

Second Vice-President Isaac F. Lord, of the Mutual Life, was asked by Assistant District Attorney Lindsay concerning the correctness of the annual report filed by his company for 1896 at Albany. He answered that the report, as sworn to, was, to the best of his knowledge and belief, correct.

This sworn statement put down the building of the company in New York City, as has been stated, at over \$11,000,000, or five times as great as the assessed valuation.

Secretary T. D. Gordon, of the Equitable, also testified that the sworn statement of his company as to the value of the Equitable building was correct in the annual report filed in Albany. This valuation was \$16,000,000, or over five times the value assessed by the New York City Tax Commissioners.

O'Sullivan's Evidence.

Dr. O'Sullivan was one of the first witnesses. When he reached the room he found the jurors composed and silent and the questions, as propounded by Foreman Church, had lost much of their business and harshness. Church seldom interrupted.

District Attorney Lindsay, who was now doing most of the questioning.

"Do you know," asked Lindsay, "Deputy Commissioner Henry G. Autenrieth?"

"No, sir," replied the lawyer.

"Have you ever seen the gentleman?"

"Not that I know of."

"Do you know whether this complaint has ever been brought to his attention?"

"Only in this way," answered the witness, "that when Mr. Barker instructed the deputies as a body concerning the valuation of the property, he used the language of the Central Labor Union protest and all of the ideas."

"Was that," continued Mr. Lindsay, "before the deputy commissioners had sworn to the valuations?"

"Yes, sir."

It is in the district of Deputy Autenrieth that the property of the great insurance companies is situated. His district comprised bounded by the Battery, North River, Wall street, Grand, the west side of the Bowery, across Chatham square to James street, down James street to East River and across the river back to the Battery. It includes the First, Second, Third, Fourth, Fifth and Sixth Wards. When the Grand Jury of Commissioners on August 31, 1897, visited the City Board of Assessors Autenrieth was before them as a witness.

The State Commissioners asked Autenrieth if any of the buildings in his territory had ever been assessed at sixty per cent of their value.

He answered that he could not swear to it. His answer to this effect is to be seen in the official report of the proceedings of the State Board of Commissioners. And yet J. J. Phillips, a real estate expert, No. 148 Broadway, called before the Grand Jury Monday, testified that the New York Life Insurance Company building in his opinion, was worth \$5,250,000. This building was assessed at \$1,000,000.

"The attempt," said Lawyer O'Sullivan, yesterday, "to hold Autenrieth responsible for this under assessment and to imply that he is the guilty one, is absurd. He is a mere henchman of the Tax Commissioners."

State Insurance Superintendent Paya did not appear before the Grand Jury. In answer to the subpoena duces tecum sent to Albany by District Attorney Lindsay, there were sent down seven copies of the statements of the Equitable, Mutual and New York Life Insurance Companies.

The Expert's Denial.

Mr. L. J. Phillips, the real estate expert, of No. 149 Broadway, called at the Journal office yesterday with Mr. Pullen, of the New York Life Insurance Company, to deny that he said to District Attorney O'Sullivan, his assistant, Mr. Lindsay, and Dr. O'Sullivan that the big new building of the New York Life Insurance Company was worth a grand total of \$12,000,000.

I was asked to call at the District Attorney's office," said Mr. Phillips, "about a week ago and I did so. Mr. Lindsay sent me a letter saying it was a matter of appraisal, and when I called Mr. O'Sullivan asked me what I would charge to make an appraisal of all the life insurance company buildings in the city. I told them that as a lump job I would charge \$1,000 for each building, but that if I were given the buildings separately I would have to charge much more. That staggered Mr. O'Sullivan and he

THE CORRESPONDENCE.

What O'Sullivan Wrote to the Tax Commissioners and What They Wrote to Him.

This is the correspondence that passed between Dr. O'Sullivan and the Board of Tax Commissioners after the legal representative of the Central Labor Union had been to them with his first plea for a fair readjustment of the taxes. This was early in April. The Commissioners promised him that he should hear from them. This promised summons was not sent until June 1.

Following is the communication sent by O'Sullivan to the Tax Board on April 5 of this year:

To the Honorable Board of Tax Commissioners of the City and County of New York: Gentlemen—I am directed by my client, the Central Labor Union, of this city, to enter at this time a formal protest against the unjust and illegal system of collecting the city taxes now employed by your honorable board.

The reasons for the objection raised by the Central Labor Union, an organization representing the entire united labor strength of this great city, and contributing directly and indirectly more than half of the cost of the city fund, are twofold in character and worthy of serious consideration. First, the taxes now levied are in the first place, my client states that the claim made by your honorable board, that the assessed value is more imaginary than real. They state this as a fact based on actual knowledge and facts, and is susceptible of proof at any time your honorable body shall see fit to give evidence on this subject.

In the second place, they claim that, owing to the discrimination that now exists in levying taxes in your department, they are compelled to pay extortionate rents and thus made to bear an undue amount of the burden of supporting the city government.

A vast amount of data bearing on this point has been submitted to me by the special committee having this matter in hand, but for the purposes of this protest I will submit only a few of the most glaring cases of fraud now being carried on in your honorable department, feeling quite certain that when these discriminations are brought to your attention the power of the petitioners for a hearing by your honorable board will be greatly increased.

Out of the cases referred to me I have selected as illustration of the evils complained of by the Central Labor Union the discrimination shown in the insurance companies owning property and doing business in the city.

The Equitable Life Assurance Society has its home offices at No. 129 Broadway, a building covering the entire block between Pine and Cedar streets on Broadway, between Broadway and Cedar on Pine, and nearly all the block between Pine and Cedar on Nassau. According to the sworn statements now on file in the Insurance Department at Albany, the valuation placed upon this building by the Equitable Assurance Society is \$10,000,000.

This property is assessed by your honorable board on a valuation of \$3,000,000. If your honorable board would apply the same rule in assessing this property as you claim to apply in assessing all the property of this city, namely, on the 50 per cent valuation basis, you would assess the property located in the block named above on a valuation of \$5,000,000. Estimating the assessment this year on a 5 per cent basis, the Tax Department will receive on this year's assessment upon this particular building \$14,000. If no discrimination was shown, and this property was treated with the same consideration accorded to less wealthy property owners, the city would receive on this assessment \$38,000.

It does not take much of a mathematician to figure out that the treasury of this city is being depleted this year out of \$24,000 by the Equitable Life Assurance Society.

Whether this is being done through collusion with your assessors, of course, I have no means of determining, but it would seem to me that the matter would bear close and careful investigation by your honorable body. That this fraud has extended over an hour of years must, of course, be patent to the members of the Tax Department at this time. It would seem to me that a suit to recover \$24,000 from the society would be in order.

The case of the Mutual Life Insurance Company is another example of gross discrimination amounting to fraud on the part of the assessors of this city. The home office building located at No. 100 Nassau street, and extending from Nassau and Cedar streets to East River, and running back for a distance of half a block on the two other streets named, is, according to the sworn statements of the officials of this company, now on file in the Insurance Department at Albany, valued at \$12,000,000. This valuation was placed upon this building by the Hon. Michael O'Sullivan, and at one time was the

WHAT HAS BEEN ACCOMPLISHED IN THE TAX DODGER CRUSADE.

Dr. O'Sullivan Says That the Attention of the General Public Has Been Fixed on Abuses Which Have Long Been Regarded as Matters of Course.

WHATEVER may be the outcome of my efforts, I have accomplished more up to date than any one who has ever undertaken to correct the abuses in the Tax Department. It is the first time the matter has ever been seriously brought before the punitive powers. The only exception I know in the generally unsuccessful efforts to get boards of tax assessors to make a fair and equitable assessment of taxation has been in Westchester County, through the efforts of Justice Martin Keogh, of the Supreme Court.

The matter has hitherto been brought to the attention of the civil authorities through writs of certiorari or mandamus. After tedious red tape measures had been employed, the efforts of those well-meaning people who have either suffered directly from the discrimination of assessing boards, or who have sympathized with those who have been unjustly burdened, have been futile. This much has been accomplished in the present instance: That the discriminations practised by the Tax Board have been brought before a body capable of enlisting the attention of the derelict officials. The Tax Board has for many years calmly smiled at those outbursts which have come to the ears from overburdened and indignant taxpayers. The very fact that the Tax Commissioners, in view of the glaring inequalities of their assessments, have seen fit to require a petition to be brought before them, when they could have used the time they have thus consumed in acting for the benefit of the oppressed, is in perfect accord with their previous procedure in complaints of this kind. The attention of the general public has been fixed by the efforts of the Central Labor Union on existing abuses which have long been regarded as hopeless of correction and as matters of course. The arrangement of the presentation may have shown some of the facts in a newer light. It may be news to some of the middle classes that the great bulk of the city budget is contributed to by the wage-earning classes who possess no taxable property. They pay the rents in the great flat house and tenement districts, and in this way they pay 60 per cent of the total amount collected by taxation.

The owners of these tenements and houses usually make their estimates for the amounts of rent a building should bring after the following manner:

They have in mind the purchase price, the deterioration in the value of the building, the taxes and the insurance. From this data these owners compute the rent which the property should bring. These taxes are increased as rentals are increased, and whatever amount of taxes the owners may have to pay they collect from their tenants, and in every instance the tenants are the ones who pay the taxes.

The object accomplished by bringing this matter before the Grand Jury is a very important one. It compels these people who are engaged in assessing property to render in some measure some quota of justice to those who, while paying 60 per cent of the expenses of government, only receive in return an infliction of unjust and outrageous oppression. It will also compel the Tax Commissioners eventually to exact from all individuals and corporations a just share of payment to governmental expenses. Whether these men against whom indictments are sought are punished or not, the publicity given to their acts and the exposure of their practices will incline them in future to deal more fairly with the complainants in this case.

I feel that my share in the proceeding will bear scrutiny on the grounds of humanity and patriotism. As I believe in and revere American institutions, I regard as patriotic any effort which will tend to withstand the increasing tide of Socialistic opinion which is sweeping over the minds of citizens who suffer these oppressions, and who have lost all faith in the power of appealing to corrupt officials to do justice between the opulent and greedy and the poor and oppressed.

I think that on the ground of humanity any right-minded man will be inspired to aid the attempt to relieve the distress of 52,000 families which have been thrown into the streets on this island within the last twelve months; almost a quarter of a million people are here represented, people belonging to the wage-earning class, who have been thrust into idleness or such partial employment as has made them unable to meet the demands of landlords.

whole matter will be taken before His Honor the Mayor, and proposed writs to remove members of the Tax Board from office. Trusting that this matter will receive your early consideration, I have the honor to remain, yours respectfully, W. J. O'SULLIVAN, Counsel for the Central Labor Union, 27 Pine street, New York. Dated, New York, April 21, 1897.

Weyler's Tobacco Decree Still in Force.

Havana, Sept. 28.—Captain-General Weyler has published a decree declaring still in force his prohibition of the exportation of leaf tobacco produced in the provinces of Havana and Pinar del Rio.

Millionaire Has Coachman Fined. Charles A. Baudouine, a member of the Metropolitan Club, who lives at the New Netherlands Hotel, had his coachman, Thomas Farrell, of No. 101 West End avenue, fined \$5 at Yorkville Court yesterday on a charge of disorderly conduct. Mr. Baudouine alleged that Farrell on September 7 had called him vile names. Farrell wanted letters of recommendation from his employer.

Yes, there are others, but when it comes to results, a Journal "Want" ad. has no real competitors.

Want a Job, so you can support your family? Well, then, read Journal "Wants."

THE OLD WAY

Of Treating Dyspepsia and Indigestion by Dieting a Barbarous and Useless Aton.

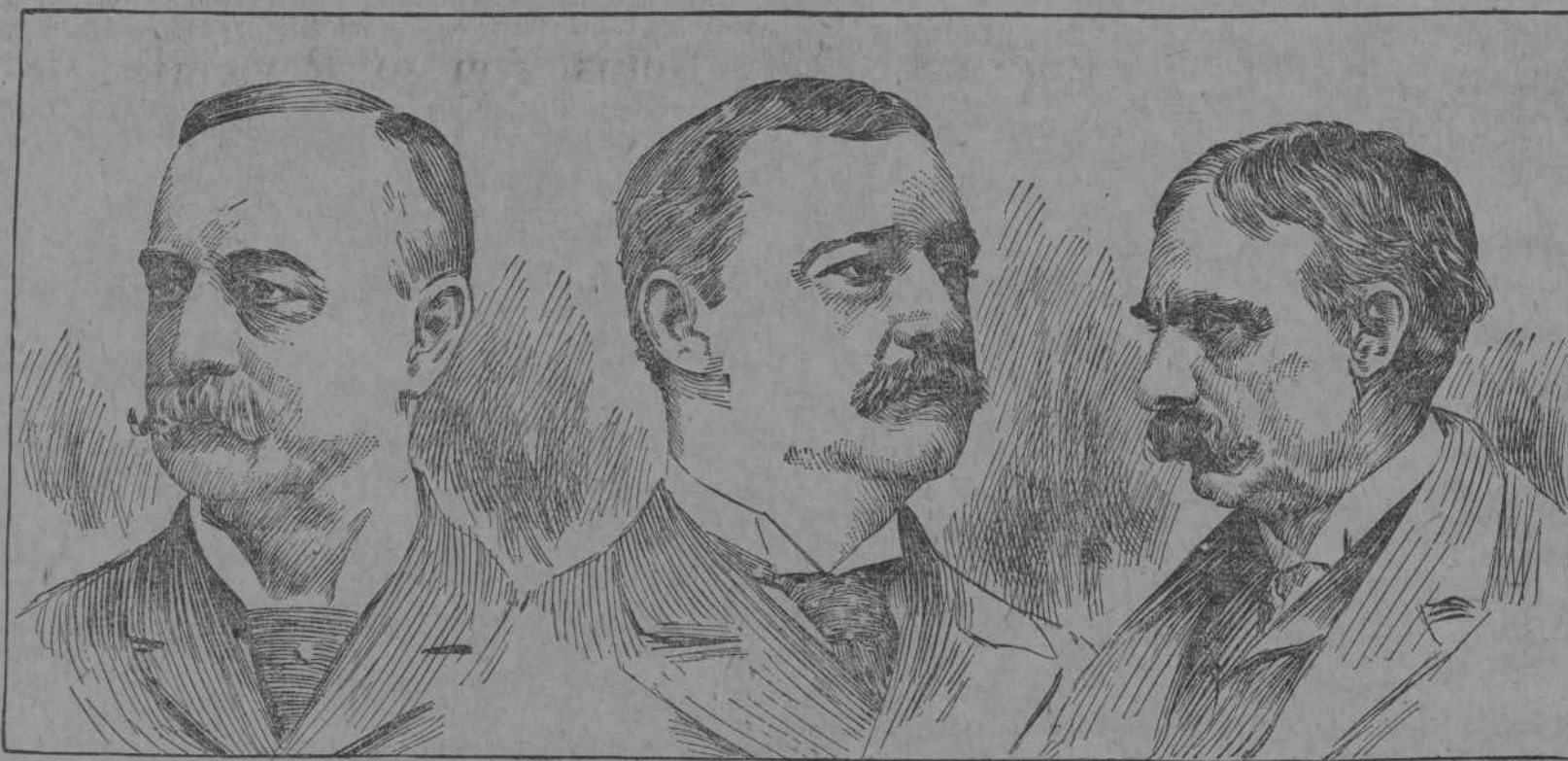
We say the old way, but really it is a very common one at present time, and many dyspeptics and physicians as well consider the first step to take in attempting to cure indigestion is to diet, either by selecting certain foods and rejecting others or to greatly diminish the quantity usually taken; in other words, the starvation plan is by many supposed to be the first essential. The almost certain failure of the starvation cure for dyspepsia has been proven time and again, but still the moment Dyspepsia makes its appearance a course of dieting is at once advised.

All this is radically wrong. It is foolish and unscientific to recommend dieting or starvation to a man suffering from Dyspepsia, because indigestion itself starves every organ and every nerve and every fibre in the body.

What the Dyspeptic wants is abundant nutrition, which means plenty of good, wholesome, well-cooked food and something to assist the weak stomach to digest it. This is exactly the purpose for which Stuart's Dyspepsia Tablets are adapted, and this is the method by which they cure the worst cases of Dyspepsia; in other words, patient eats plenty of wholesome food and Stuart's Dyspepsia Tablets digest it for him. In this way the system is nourished and the overworked stomach rested, because the tablets will digest the food, whether the stomach works or not. One of these tablets will digest 3,000 grains of meat or eggs.

Your druggist will tell you that Stuart's Dyspepsia Tablets is the purest and safest remedy sold for stomach troubles, and every trial makes one more friend for this excellent preparation. Sold at 50c. for full-sized package at all drug stores.

A little book on stomach diseases mailed free by addressing Stuart Co., Marshall, Mich.



Richard A. McCurdy, N. Y. Mutual Life

John A. McCall, N. Y. Life.

Henry B. Hyde, Equitable.

PRESIDENTS OF THE INSURANCE COMPANIES MENTIONED BY THE TAX COMPLAINANTS.

In its attempt to have the Tax Commissioners indicted, the Central Labor Union mentions the New York Life, the Equitable and the New York Mutual Life Insurance companies as examples of corporations favored in the assessments. Representatives of these companies appeared before the Grand Jury yesterday.

said his office could not spend money in such amounts as that.

"I had just finished one appraisal, which, as a good citizen, I would give to the District Attorney without charge. They asked me what it was, and I replied, 'The New York Life's new building.' They asked the amount of my estimate, and I replied, 'Five million two hundred and fifty thousand dollars.'"

"I am positive that those were the only figures I gave. The figures of \$12,000,000 are absurd. My appraisal was made in December last, found the actual value then to be \$4,500,000, and, drawing from the plans and contracts on hand for its completion, I made its finished or present value to be \$5,250,000. That estimate I see no reason for changing."

"I did not say that I would refuse to testify against the insurance companies. I am perfectly willing to be retained and paid by the District Attorney's office or by them if I am paid my fees. I did say that I would not like to give testimony against the insurance companies, most of whom are my clients, if that testimony would bother them in any way. But if I was asked to do so, I would do so."

"But in its undisturbed state, is a part of my official announcements."

"The building was not finished then," again repeated Mr. Pullen.

16 to 1 may be all right, but 277 replies to a 3-line "Want" ad. is better yet.

president of the Tax Board of this city, and who is elected in effect an assessor relating to valuations of property in this city. This property is assessed by your honorable body on a valuation of \$3,000,000. If your department had adhered to your rule of assessing property at the noticed valuation of 50 per cent, this property would be assessed this year on a valuation of \$5,000,000, suggesting that the rate would be 5 per cent this year the city treasury would receive from this company \$20,000 instead of the \$6,000 which it is now called upon to pay. There would seem to be fraud and collusion in the levying of this assessment, and certainly it does seem proper for me to state at this time that a suit for back taxes would be in order against this company. My clients estimate that this company during the past ten years has defrauded the city of New York out of at least \$100,000.

The New York Life Insurance Company, located on the block bounded by Broadway, Leonard street, and Nassau street, is another example of the unjust, unfair and illegal method of assessing property in this city. The building, which stood upon a part of the land described above, was assessed by your department at a valuation of more than \$2,000,000. The records of the Insurance Department at Albany show that the valuation of this company considered the old building worth \$1,000,000, a conservative estimate of the value of the magnificent new structure now owned by the New York Life Insurance Company is \$2,000,000. The assessed value of this property at \$1,000,000, if the proper assessment was levied against this property this year, instead of receiving \$5,000, should receive \$10,000 for this year's assessment.

Even in the case of these three corporations for the reason that the true valuation of the property was reduced and the valuation on property such as described above, increased by the city's assessors, the city treasury would be enriched.

I am aware that you are opposed to increasing the total valuation on the ground that the city already pays enough of the State tax.

But in its undisturbed state, is a part of my official announcements."

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"Your Friend"

Who has a fine discriminating taste, always serves the best of everything when he entertains you.

Londonerry Lithia Water

is the best." The verdict of the American people after years of testing is in favor of this one great gift of nature. Endorsed and prescribed by leading physicians everywhere.

Notwithstanding the advance in price of imported waters, prices on Londonerry remain the same.

Sold by all dealers in Mineral Waters, and in every hotel and club in America.

Slightly Used Aelians

AT REDUCED PRICES.

We have collected in our recital hall the various slightly used Aelians that we have from time to time taken in exchange for higher-priced instruments, and during the coming week we will offer them at very low prices.

Each of these instruments has been sent to our factory, where it has been thoroughly overhauled and returned to us in first-class condition. A majority of them could not be recognized from new instruments. If you contemplate the purchase of an Aelian in the near future it will pay you to call and inspect those offered at this special sale. There are included in this special sale—

Style.	Regular Price.	Special Price.
3 Grandos	\$750.00	\$600.00
2 Chippendales	500.00	450.00
2 Lidos	500.00	350.00
2 Lidos	300.00	250.00
1 Lido	275.00	150.00
1 Lido	175.00	90.00
1 M. & H.	150.00	50.00
3 Pedalos	75.00	37.50
1 Spankno	60.00	35.00

The same guarantee that accompanies our new Aelians will give with each of the above instruments.

10% for cash will be allowed from the above prices, or the instruments will be sold on moderate monthly payments.

If you cannot conveniently call, drop us a postal, and we will send a representative to see you.

The Aelian Company,
No. 18 West 23d St., New York.